

GARY D. JOSEPHSON #5299
Assistant Attorney General
SEAN D. REYES #7969
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, Fifth Floor
PO Box 140874
Salt Lake City, UT 84114
Telephone: 801-366-0375
Email: gjosephson@agutah.gov

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

UTAH INSURANCE DEPARTMENT, Complainant, v. UNITED SERVICES AUTOMOBILE ASSOCIATION 9800 Fredericksburg Road San Antonio, TX 78288 License No. 25941 Respondent.	STIPULATION AND ORDER Docket No. 2017-063 PC Enf. Case No. 3914 Lisa Watts Baskin, J.D. Administrative Law Judge
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STIPULATION

The Utah Insurance Department ("Department"), by and through its legal counsel, and United Services Automobile Association ("Respondent"), hereby stipulate and agree as follows:

1. Respondent insurance agency is an active property and casualty insurer authorized to do business in the State of Utah under License No. 25941. Respondents' business address is 9800 Fredericksburg Road, San Antonio, Texas 78288.
2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code Section 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code Section 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent is aware of its right to be represented by legal counsel in this matter, and has either sought the advice of legal counsel or has waived the right to do so.

5. This signed Stipulation and the signed Order, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

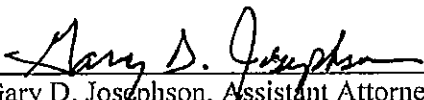
9. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 30 day of June, 2017.

Shaunda Cockayne
Shaunda Cockayne, Compliance Advisor
UNITED SERVICES AUTOMOBILE ASSOCIATION

Dated this 5th day of July, 2017



Gary D. Josephson, Assistant Attorney General
UTAH INSURANCE DEPARTMENT

Based upon the foregoing Stipulation and Department file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. Based on a Department investigation, it was found that, on November 17, 2016, a liability claim was filed with Respondent concerning a rear-end auto accident, which Respondent accepted liability for.
2. It was determined that there no communication with the claimant until December 22, 2016 and that the loss of use claim was not paid until January 31, 2017.
3. The Department and Respondent have agreed to an administrative forfeiture in the amount of \$3,000.00 to be paid by Respondent.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Utah Code Section 31A-26-303(3) states that "failing to acknowledge and act promptly upon communications about claims under insurance policies" is an unfair claim settlement practice.

2. Also, Utah Administrative Code R590-190-10(3), provides that a payment is overdue if not paid within 30 days after the insurer is furnished with written proof of the fact of a covered loss and the amount of the loss.

3. Respondent violated the above referenced insurance laws when it was notified of the liability claim on November 17, 2016; accepted liability that same day; but did not pay the loss of use claim until January 31, 2017.

4. An Administrative forfeiture in the amount of \$3,000.00 is appropriate under the circumstances.

Based on the foregoing Findings and Fact and Conclusions of Law, the Presiding Officer enters the following Order:

ORDER

1. Respondent is hereby ordered to pay an administrative forfeiture in the amount of \$3,000.00 to the Department within thirty days of the full signing date of this Order.

DATED this 5th day of July, 2017.

TODD E. KISER
Insurance Commissioner

Lisa Watts Baskin
LISA WATTS BASKIN, J.D.
Administrative Law Judge
Utah Insurance Department

NOTIFICATION TO RESPONDENT

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Insurance Department

TODD E. KISER
Insurance Commissioner

UTAH Invoice - Original

NANCY R DURBIN
UNITED SERVICES AUTOMOBILE ASSOCIATION
D03W GENERAL ACCOUNTINGSTATE REPORTING
9800 FREDERICKSBURG RD
SAN ANTONIO TX 78288-4031

Printed Date: July 5, 2017
Invoice Date: July 5, 2017
Balance Due: \$3,000.00
Due Date: August 7, 2017
Invoice ID: 954537
Payor ID: 779

Date	Item Description	Amount	
07-05-2017	Monetary Penalty Agency	\$3,000.00	DKT# 2017-063 PC E-CASE #3914

No Adjustments

No Payments

Balance Amount Due \$3,000.00

UTAH Invoice - Original

Make check payable to: Utah Insurance Department
Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901

Invoice Date: July 5, 2017
Balance Due: \$3,000.00
Due Date: August 9, 2017
Invoice ID: 954537
Payor ID: 779

Or (PREFERRED METHOD) pay online at:
<https://secure.utah.gov/ips/uidrenewal>

Detach and Return this Voucher with Payment
Payments Will Not Be Processed without Voucher


CERTIFICATE OF MAILING

The undersigned hereby certifies that on this date, a true and correct copy of the foregoing **STIPULATION AND ORDER** was regularly mailed and electronically mailed to the following:

**United Services Automobile Association
9800 Fredericksburg Road
San Antonio, Texas 78288
ATT: Shaunda Cockayne, Compliance Officer**

Shaunda.Cockayne@usaa.com

Dated this 5th day of July, 2017



Jeanne Mitchell
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, UT. 84114-6901